

SEE BOTTOM OF PAGE FOR ADDITIONAL SPECIAL CONTROLS, IF ANY

CONFIDENTIAL

PREPARED AND DISSEMINATED BY

CENTRAL INTELLIGENCE AGENCY

COUNTRY

## Panama

**SUBJECT**

Ratification and Acceptance by Panamanian  
People of US-Panama Canal Treaty/Comments  
on Guizado and Dona Remon

PLACE ACQUIRED (By source)

## Panama

DATE ACQUIRED (By source)

DATE OF INFORMATION (Date or dates, on or between which, events or conditions described in report existed)

To 5 Feb 55

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U. S. C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

REPORT NO.

DATE DISTRIBUTED

NO. OF PAGES

NO.	NO. OF ENCLS.
1	1
2	1
3	1
4	1
5	1
6	1
7	1
8	1
9	1
10	1
11	1
12	1
13	1
14	1
15	1
16	1
17	1
18	1
19	1
20	1
21	1
22	1
23	1
24	1
25	1
26	1
27	1
28	1
29	1
30	1
31	1
32	1
33	1
34	1
35	1
36	1
37	1
38	1
39	1
40	1
41	1
42	1
43	1
44	1
45	1
46	1
47	1
48	1
49	1
50	1
51	1
52	1
53	1
54	1
55	1
56	1
57	1
58	1
59	1
60	1
61	1
62	1
63	1
64	1
65	1
66	1
67	1
68	1
69	1
70	1
71	1
72	1
73	1
74	1
75	1
76	1
77	1
78	1
79	1
80	1
81	1
82	1
83	1
84	1
85	1
86	1
87	1
88	1
89	1
90	1
91	1
92	1
93	1
94	1
95	1
96	1
97	1
98	1
99	1
100	1

SUPPLEMENT TO REPORT #

RESPONSIVE TO

00/C-

**SOURCE**

(b) (1)  
(b) (3)  
(C)

1. The Panamanian people are being "asked" by the authorities to accept the new treaty with the US as being not wholly satisfactory but a definite improvement over previous ones.
2. [redacted] the treaty will be ratified [redacted] by the end of February 1955 / by the National Assembly because all are anxious to get their hands on the new income which the treaty will eventually bring here in Panama.
3. The treaty will affect Panama's economy only if an increased number of Panamanians get better jobs in the Canal Zone. The Panama government pays far less than the Canal Zone is already paying, yet Panama says these Zone wages are unfair. Some politicians should get rich on the disposal of the land and property to be received. The million and a half / US dollars / yearly increase in the annuity will be gravy for someone to distribute to political advantage. There are lots of good works which could be done with the money. The question of who will control the distribution of the money seems important.
4. Political control too will become increasingly important as the effective date of the treaty, if ratified, gets nearer.
5. [redacted]  
[redacted] Panama got less than she asked and therefore is not happy. The US gave up plenty, so presumably is not happy.
6. Relations between Panama and the Canal Zone are sure to deteriorate if the Canal Zone tries to buck compliance with the treaty provision of equality in salary and employment chances with the US government in the Canal Zone. US citizens who are discharged because of activities closed down in compliance with the treaty are seen as resentful-- the US citizen resentful because of mixed race associates in work, housing and schooling unwelcome to them. Panama knows that the governor of the Canal Zone bucked the treaty provisions and will make it hard for him.

~~CONFIDENTIAL~~

## DISTRIBUTION

STATE

ARMY

NAVY

AIR

FDI

NUFORN

**NO DISSEM ABROAD**

**LIMITED**

LIMITED: Dissemination limited to full-time employees of CIA, AEC and FBI; and, within State and Defense, to the intelligence components, other offices producing NIS elements, and higher echelons with their immediate supporting staffs. Not to be disseminated to consultants, external projects or reserve personnel on short term active duty (excepting individuals who are normally full-time employees of CIA, AEC, FBI, State or Defense) unless the written permission of the originating office has been obtained through the Assistant Director for Collection and Dissemination, CIA.

~~CONFIDENTIAL~~

- 2 -

- [REDACTED]
7. [Re assassination of President Remon /...]

[REDACTED] they think that the answer to this [REMON /] murder, if not racket retaliation, is purely political from an enemy of prominence and power, quite possibly from within the cabinet or among the ex-presidents, etc.

8. .... [REDACTED] before Guizado was allowed to take office, he signed an unwaived resignation. This is in the hands of the king makers here [in Panama /]. They may, as a courtesy gesture, let Guizado sign the US-Panama Treaty he participated in negotiating but as soon as it is signed (if not before), we look to see him resign and Ricardo Arias (the original second vice president) step in.
9. Doña Cecilia Pinel de Remon, wife of Chichi [Jose Remon, the late president /] may get named as Minister of Public Welfare here. This post is now being held by a quiet fellow who would not oppose being shifted around. If Guizado stays in, he will assuredly try to get Cecilia into the cabinet, as it would strengthen his position. No one else would want her, it is considered, because her political ambitions are feared. Also, she was able to do so much under Remon, she may bridle at the fact that she is no longer First Lady....
- [REDACTED]

- end -

[REDACTED]

~~CONFIDENTIAL~~

56927A